

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al  
Debtor

Case No. 01-01139 Jointly Administered  
Reporting Period: February 2004

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature of Authorized Individual\*

22 MARCH 2004  
\_\_\_\_\_  
Date

Robert M. Tarola  
\_\_\_\_\_  
Printed Name of Authorized Individual

Senior Vice President and  
Chief Financial Officer  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

FORM MOR  
(9/99)

H-000001

**W. R. Grace & Co.**  
**Monthly Financial Report**  
**February 2004**

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**Form MOR**

**Monthly Operating Report**

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**Combined Chapter 11 Filing Entity Statements**

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**Bank Statements**

**Federal Income Tax Returns**

Attached

**Forward-Looking Information**

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

**Statement of Confidentiality**

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

H-000002

## **Monthly Operating Report**

H-000003

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	JP Morgan Chase Disbursement 9101013572	Wachovia Lockbox 8619039102	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615	Merril Lynch Investment 3323735	Merril Lynch Investment 3343175	JP Morgan Chase Holding 323223141
CASH BEGINNING OF MONTH	\$ 103,701	\$ -	\$ (0)	\$ 0	\$ 123,365,382	\$ 0	\$ 737,660
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES			905,692				
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000			2,021,867	35,900,000		
MISCELLANEOUS				15,866	95,515		
TOTAL RECEIPTS	200,000	-	905,692	2,037,733	35,995,515	-	-
DISBURSEMENTS							
PAYROLL				1,282,402			
PAYROLL TAXES				755,331			
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	203,356						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			485,000		41,300,000		
MISCELLANEOUS			420,692				
TOTAL DISBURSEMENTS	203,356	-	905,692	2,037,733	41,300,000	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(3,356)	-	-	-	(5,304,485)	-	-
CASH - END OF MONTH	100,345	-	(0)	0	118,060,897	0	737,660

**Note #1**

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	JP Morgan Chase Concentration 16001257	Bank of America Lockbox 8188203114	First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	Civic Bank Payroll 15502015736	First Union Libby Medical 2079900065006
CASH BEGINNING OF MONTH	\$ 252,851	\$ 1,664,822	\$ 0	\$ -	\$ -	\$ 0	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		36,439,502					
ACCOUNTS RECEIVABLE - INTERCOMPANY		455,976					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES	5,499,551						
TRANSFERS IN - NONFILING ENTITIES	10,119,476						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	125,180,066		68,800,000	5,565,765	3,173		73,451
MISCELLANEOUS			320,108	81,096	787		
TOTAL RECEIPTS	140,799,093	36,895,478	69,120,108	5,646,860	3,961		73,451
DISBURSEMENTS							
PAYROLL				3,684,469			
PAYROLL TAXES				1,962,391			
TRADE PAYABLES - THIRD PARTIES	192,694						
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES	173,572						
TRANSFERS OUT - THIRD PARTIES	11,958,279	2,237,814			3,961		
TRANSFERS OUT - NONFILING ENTITIES	14,858,256						
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	113,577,174	34,863,922	69,120,108				
MISCELLANEOUS							73,451
TOTAL DISBURSEMENTS	140,759,976	37,101,736	69,120,108	5,646,860	3,961		73,451
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	39,117	(206,258)	-	-	-	-	-
CASH - END OF MONTH	291,968	1,458,564	0	-	-	0	-

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W. R. Grace & Co. - Conn  
Schedule of Cash Receipts and Disbursements  
MOR-1  
February 2004

	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Allfirst Payroll 16298631	SunTrust Payroll 00000141309	PNC 4002641360
CASH BEGINNING OF MONTH	\$ (0)	\$ -	\$ 0	\$ 0	\$ 0	\$ 59,091	\$ 45,273	\$ 24,597
RECEIPTS								
ACCOUNTS RECEIVABLE - THIRD PARTIES			26,367,042					
ACCOUNTS RECEIVABLE - INTERCOMPANY			24,200,879					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES								
TRANSFERS IN - NONFILING ENTITIES								
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	31,472,873	1,393,342		2,365,514	26,224,123	3,480,411		
MISCELLANEOUS	144,924	1,365	376,968	776,211				
TOTAL RECEIPTS	31,617,797	1,394,707	50,944,889	3,141,726	26,224,123	3,480,411	-	-
DISBURSEMENTS								
PAYROLL		913,886				2,149,233		
PAYROLL TAXES		480,821				1,329,521		
TRADE PAYABLES - THIRD PARTIES	31,617,797			3,141,726				
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES								
TRANSFERS OUT - THIRD PARTIES					26,223,523			
TRANSFERS OUT - NONFILING ENTITIES								
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			50,944,889					
MISCELLANEOUS					600			
TOTAL DISBURSEMENTS	31,617,797	1,394,707	50,944,889	3,141,726	26,224,123	3,478,754	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	-	-	1,657	-	-
CASH - END OF MONTH	(0)	-	0	0	0	60,748	45,273	24,597

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## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	Hibernia Natl Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Althrst Payroll 16298657	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct 19311115122058	Banco de Credito Operating Acct 1931125963172	Banco de Credito Time Deposit 0015820
CASH BEGINNING OF MONTH	\$ 10.000	\$ -	\$ 264.542	\$ 56.332	\$ 1.951	\$ 243.592	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					13	256.384	
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES					121.703		
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			5.068.451				
MISCELLANEOUS							
TOTAL RECEIPTS	-	-	5.068.451	-	121.715	256.384	-
DISBURSEMENTS							
PAYROLL			3.210.739				
PAYROLL TAXES			1.857.712		54.632		
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY						253.830	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES					53.771	121.496	
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS					8.341	5.715	
TOTAL DISBURSEMENTS	-	-	5.068.451	-	116.744	381.042	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	-	4.971	(124.658)	-
CASH - END OF MONTH	10.000	-	264.542	56.332	6.922	118.934	-

## Note #1

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W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424	Cash in Transit	Cash on Hand	Other	CURRENT MONTH	
						ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 2,846	\$ 355,464	\$ 967,250	\$ 49,425	\$ 399,783	\$ 128,604,565	
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		238,468				63,301,408	
ACCOUNTS RECEIVABLE - INTERCOMPANY						24,656,855	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						-	
DIP BORROWINGS						-	
TRANSFERS IN - THIRD PARTIES	13,500					6,540,445	
TRANSFERS IN - NONFILING ENTITIES						10,119,476	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			2,414,487			310,163,523	
MISCELLANEOUS						1,812,841	
TOTAL RECEIPTS	13,500	238,468	2,414,487			416,594,548	
DISBURSEMENTS							
PAYROLL	7,433					11,248,163	
PAYROLL TAXES	1,126					6,441,534	
TRADE PAYABLES - THIRD PARTIES						34,952,217	
TRADE PAYABLES - INTERCOMPANY		339,887				593,717	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						-	
DIP PRINCIPAL REPAYMENTS						-	
DIP INTEREST AND USAGE FEES						173,572	
TRANSFERS OUT - THIRD PARTIES		13,500				40,815,700	
TRANSFERS OUT - NONFILING ENTITIES						14,858,256	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS						310,291,093	
MISCELLANEOUS	7,608	9,674	294,634		9,605	830,321	
TOTAL DISBURSEMENTS	16,168	363,061	294,634		9,605	420,204,573	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(2,668)	(124,593)	2,119,854		(9,605)	(3,610,025)	
CASH - END OF MONTH	179	230,871	3,087,104	49,425	390,178	124,994,540	\$

## Note #1

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W.R. Grace &amp; Co.

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	JP Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ (0)	\$ (0)	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	129,250	129,250	
TOTAL RECEIPTS	129,250	129,250	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	129,250	129,250	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	129,250	129,250	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ (0)	\$ (0)	\$ -

Remedium Group, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	JP Morgan Chase Depository/Wire 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ 135,006	\$ (145,205)	\$ (10,198)	
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES	938			938	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		128,507		128,507	
TOTAL RECEIPTS	938	128,507	-	129,445	
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		1,228,728	3,854	1,232,582	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	938			938	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	938	1,228,728	3,854	1,233,520	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(1,100,221)	(3,854)	(1,104,075)	
CASH - END OF MONTH	-	(965,214)	(149,059)	(1,114,273)	

Darex Puerto Rico, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	Citibank Operating Acct 300153011	Petty Cash	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 1,089,643	\$ 1,500	\$ (51,673)	\$ 1,039,470	
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES	1,074,688			1,074,688	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	175,668			175,668	
TOTAL RECEIPTS	1,250,356	-	-	1,250,356	-
DISBURSEMENTS					
PAYROLL	7,555			7,555	
PAYROLL TAXES	3,513			3,513	
TRADE PAYABLES - THIRD PARTIES	153,178			153,178	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES				-	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	175,668			175,668	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	339,915	-	-	339,915	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	910,441	-	-	910,441	-
CASH - END OF MONTH	2,000,084	1,500	(51,673)	1,949,911	-

CC Partners			
Schedule of Cash Receipts and Disbursements			
MOR-1			
February 2004			
	First Union Deposit Acct 2199500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company Schedule of Cash Receipts and Disbursements MOR-1 February 2004			
	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 17,363	\$ 17,363	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 17,363	\$ 17,363	\$ -

Grace Europe, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc.  
Schedule of Cash Receipts and Disbursements  
MOR-1  
February 2004

	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey &amp; Almy, LLC

## Schedule of Cash Receipts and Disbursements

MOR-1

February 2004

	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 1,000	\$ 1,000	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION		-	
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 1,000	\$ 1,000	\$ -



W. R. Grace & Co. - Conn  
Bank Reconciliations  
January 2004  
MOR-1

	JP Morgan Chase Disbursement 9101013572		Wachovia Lockbox 9619039102		First Union Deposit Acct 2199500021812		Merril Lynch Investment 3323735		Merril Lynch Investment 31833431756	
Balance per books	\$	103,701	\$	-	\$	-	\$	123,365,382	\$	-
Bank Balance	\$	103,701	\$	-	\$	23,042	\$	123,365,382	\$	-
(+) Deposits in transit		-		-		-		-		-
(-) Outstanding checks		-		-		-		-		-
Other		-		-		(23,042)		-		-
Adjusted bank balance	\$	103,701	\$	-	\$	-	\$	123,365,382	\$	-
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Ck #	Amount	Ck #	Amount	Ck #	Amount	Ck #	Amount	Ck #	Amount
Other										
Transfers between bank accounts										
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books										
Payroll tax payments not recorded										
Unreconciled bank activity										
Unreconciled ledger activity										
Returned item adjustment										
Payroll/other activity in transit										
Petty cash funds										
Reporting reclass										
Unrecorded deposit						(23,042)				

W. R. Grace & Co. - Conn  
Bank Reconciliations  
January 2004  
MOR-1

	JP Morgan Chase Holding 323223141		JP Morgan Chase Concentration 16001257		Bank of America Lockbox 8188203114		First Union Concentration 2000000282172		First Union Payroll 2079900016741	
Balance per books	\$ 737,660		\$ 252,851		\$ 1,664,822		\$ -		\$ -	
Bank Balance	\$ 737,660		\$ 252,851		\$ 1,664,822		\$ 2,299,677		\$ -	
(+) Deposits in transit	-		-		-		-		-	
(-) Outstanding checks	-		-		-		-		(190,573)	
Other	-		-		-		(2,299,677)		190,573	
Adjusted bank balance	\$ 737,660		\$ 252,851		\$ 1,664,822		\$ -		\$ -	
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Ck #	Amount	Ck #	Amount	Ck #	Amount	Ck #	Amount	Ck #	Amount
									Detail available	
Other										
Transfers between bank accounts										
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books										
Payroll tax payments not recorded										
Unreconciled bank activity										
Unreconciled ledger activity										4,264
Returned item adjustment										1,911
Payroll/other activity in transit										
Petty cash funds										
Reporting reclass										
Unrecorded deposit								(2,299,677)		184,398

W. R. Grace & Co. - Conn  
Bank Reconciliations  
January 2004  
MOR-1

	First Union Petty Cash 2079900005600		Civic Bank Payroll 15502015736		First Union Libby Medical 2079900065006		First Union Accts Payable 2079920005761		First Union Payroll 2079900067554	
Balance per books	\$ -		\$ -		\$ -		\$ -		\$ -	
Bank Balance	\$ -		\$ -		\$ -		\$ -		\$ -	
(+) Deposits in transit	-		-		-		-		-	
(-) Outstanding checks	(45)		-		-		(6,447,069)		(112,206)	
Other	45		-		-		6,447,069		112,206	
Adjusted bank balance	\$ -		\$ -		\$ -		\$ -		\$ -	
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
	23454	(40)					Detail Available		Detail Available	
	25156	(5)								
Other										
Transfers between bank accounts										
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books		65								1,636
Payroll tax payments not recorded										63
Unreconciled bank activity		5,008					9,119			
Unreconciled ledger activity		(229)					(276,780)			
Returned item adjustment										
Payroll/other activity in transit										
Petty cash funds										
Reporting reclass		(4,799)					6,714,730			109,607
Unrecorded deposit										

	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Allfirst Payroll 16298631	Summa Payroll 0000
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Balance per books	\$ -	\$ -	\$ -	\$ 59,091
Bank Balance	\$ 848,400	\$ -	\$ -	\$ 281,878
(+) Deposits in transit	-	-	-	-
(-) Outstanding checks	-	(875,813)	-	(235,258)
Other	(848,400)	875,813	-	12,471
Adjusted bank balance	\$ -	\$ -	\$ -	\$ 59,091

[illegible]

Outstanding Checks	Ck #	Amount	Ck #	Amount	Ck #	Amount	Ck #	Amount	Ck #
			various	(875.813)			Detail Available		

[illegible]

Other									
Transfers between bank accounts		(847,080)		876,583					
Accounting error									
Interest not recorded on books									
Bank fees not recorded on books									
Payroll tax payments not recorded								4,381	
Unreconciled bank activity		(1,320)							
Unreconciled ledger activity				(770)				4,690	
Returned item adjustment								3,400	
Payroll/other activity in transit									
Petty cash funds									
Reporting reclass									
Unrecorded deposit									

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